

MINUTES

Kentucky Community and Technical College System Board of Regents December 6, 2002

Board Members Present:

Ms. Cynthia L. Read, Board Chair
Ms. Lorna D. Littrell, Board Vice Chair
Dr. Joseph B. Wise, III, Board Secretary
Mr. Richard A. Bean
Ms. Cynthia E. Fiorella

Dr. John F. Hanel
Mr. Henry L. Jackson
Ms. Penelope S. Logsdon
Mr. Mark A. Powell
Ms. Ida N. Tompkins

Board Members Absent:

Mr. William E. Beasley
Ms. Pamala J. Dallas

Ms. Martha C. Johnson

CALL TO ORDER

Board of Regents Chair Read called to order the meeting of the Kentucky Community and Technical College System Board of Regents at 8:45 a.m. (ET), December 6, 2002, in the Large Conference Room of the Council of State Governments Building, KCTCS System Office, Lexington, Kentucky. She announced that the press was notified of the meeting on December 2, 2002, and that Hon. Beverly Haverstock, KCTCS General Counsel, would serve as parliamentarian.

Chair Read reported that Student Regent Roxanna Gay resigned from the Board due to illness. In accordance with the *KCTCS Board of Regents Bylaws* in effect at the time of Roxanna's withdrawal, a special election will be held to fill the vacancy.

There being a quorum present, Board business began with the approval of the minutes from the last meeting.

APPROVAL OF MINUTES

MOTION: Mr. Bean moved that the minutes be approved. Ms. Littrell seconded the motion.

VOTE: The minutes were approved unanimously.

ADDITIONS OR CHANGES TO THE AGENDA

By unanimous consent, two items were added to the agenda: 1) An action item to endorse the development of a new compensation and classification program and 2) An update item on the KCTCS 2002-03 and 2003-04 Budget Reduction Plan.

**MEETING
HOSTS**

Chair Read thanked KCTCS President Michael B. McCall and his staff for the warm welcome the Board received during its visit to the System Office. She expressed appreciation to Ms. Cynthia Ackley and Ms. Amy Jennings for their assistance with the meeting logistics and to Mr. Bruce Bailey and Mr. John Sutter for their assistance with the shuttles. Chair Read noted the Board enjoyed Dr. and Mrs. McCall's wonderful hospitality and the festive holiday dinner they hosted in their home the night before.

**INTRODUCTION
OF GUESTS**

Chair Read welcomed Dr. William Crouch, Georgetown College President; Dr. William Pollard, Georgetown College Provost; and Ms. Mary Burzlaff and Ms. Neely McLaughlin, both of whom are former Elizabethtown Community College students. Ms. Burzlaff and Ms. McLaughlin will be the first former KCTCS students to benefit from BELL (British Experience in Learning and Living), which is a KCTCS partnership with Georgetown College that allows eligible former KCTCS students the opportunity to study at Regents Park, one of 39 colleges that compose the University of Oxford in England. The BELL partnership also provides KCTCS faculty and staff the opportunity to study at Regent's Park, and five have participated in the program to date.

Chair Read and President McCall thanked the students for meeting with the Board of Regents, noting that KCTCS was proud of their accomplishments. They thanked Dr. Crouch and Dr. Pollard of Georgetown College for its partnership with KCTCS.

**CHAIR'S
REPORT**

Chair Read reported on the October 15, 2002, Prichard Committee for Academic Excellence meeting where she provided an overview of KCTCS successes and advances toward achieving the mandates of the *Kentucky Postsecondary Education Improvement Act of 1997*. At the meeting, Dr. Aims McGuinness of the National Center for Higher Education Management Systems (NCHEMS) in Boulder, Colorado, presented the findings of a NCHEMS study, "An Assessment of Postsecondary Education Reform in Kentucky." The study, commissioned by the Prichard Committee, indicates that Kentucky has made remarkable progress in postsecondary education since the legislature enacted reforms in 1997 and that the state must meet several challenges if it is to sustain the improvements.

Chair Read noted that nearly 550 people attended the fourth annual President's Gala and Benefactors Awards Dinner on November 2, 2002, at the Marriott's Griffin Gate Resort in Lexington. Thirty-seven major donors and volunteers who support the programs of KCTCS and the colleges were honored. This year's Gala had corporate sponsorship totaling more than \$45,000.

Chair Read announced that the Board phase of the KCTCS Major Gifts Campaign is underway. Regent Martha Johnson is chairing the Board phase of the campaign with the help of Regent Lorna Littrell and Regent Pamala Dallas. Chair Read noted that she would be assisting with the KCTCS Foundation Board portion of the campaign. It was noted that the Foundation Board would meet at 2:00 p.m. on Wednesday, December 11, 2002.

Chair Read noted that the Board would discuss revised performance indicators at the February Board of Regents meeting.

Chair Read noted that a recent *Community College Week* article cited seven KCTCS colleges as being the fastest growing community colleges in the United States. Hazard Community College (ninth) and Henderson Community College (39th) were among the fastest growing community colleges that have enrollments of less than 2,500 students. Of colleges with enrollments between 2,500 and 4,999, Owensboro Community College (4th), Ashland Community College (21st), Somerset Community College (23rd), Paducah Community College (29th), and Hopkinsville Community College (50th) were ranked among the fastest growing community colleges.

**PRESIDENT'S
REPORT**

President McCall provided an update on System achievements, including the Kentucky and Ohio Tuition Reciprocity Agreement, new building dedications, and other items reflecting progress toward achieving the *KCTCS Vision* to be the best comprehensive community and technical college system in the nation. The *President's Report* in its entirety is attached to the minutes (Attachment B) and is available at <http://www.kctcs.edu/organization/board/meetings/>.

**EXECUTIVE
COMMITTEE
REPORT**

Executive Committee Vice Chair Littrell presented the committee's report to the Board of Regents.

**ACTION:
REVISIONS TO
THE KCTCS
BOARD OF
REGENTS
BYLAWS
SECTION 1.4:
PROCESS FOR
SELECTION OF
NON-APPOINTED
MEMBERS**

RECOMMENDATION: That the KCTCS Board of Regents approve the revision to the *KCTCS Board of Regents Bylaws Section 1.4: Process for Selection of Non-Appointed Members* as presented in the agenda materials.

The current process to fill vacancies resulting from a student regent's inability to serve a full term calls for another election following the same format as the original student election. The proposed bylaw revision provides for an alternate student regent to serve the un-expired term in the event the student regent is unable to serve the one (1)-year term or any portion thereof. The proposed revision incorporates suggestions the Board made at its October 4, 2002, meeting.

MOTION: On behalf of the committee, Ms. Littrell moved that the recommendation be approved.

VOTE: The motion passed unanimously.

**ACTION: KCTCS
BOARD OF
REGENTS
RESOLUTION
REGARDING
COLLEGE NAMES**

RECOMMENDATION: That the KCTCS Board of Regents approve the resolution (see agenda materials) directing the inclusion of “community and technical” in the names of all KCTCS colleges requesting name changes.

Ms. Littrell noted that this item responds to the October 4, 2002, Board of Regents request that at the December Board meeting staff present a resolution regarding the inclusion of "community and technical" in the names of KCTCS colleges. The resolution applies only to colleges requesting approval to change their names based upon community-driven efforts. The resolution is in compliance with the *Kentucky Postsecondary Education Improvement Act of 1997 (Act)*, which mandates that the names of several community colleges be retained as they were at the time the *Act* was enacted. The *Act* does not prohibit adding additional words to the existing names.

Chair Read noted that the resolution reflects the Board’s desire to communicate the importance of technical education to the *KCTCS Mission*. She further noted that KCTCS General Counsel Haverstock obtained an opinion from outside legal counsel that advised adding the words “and technical” would not contradict statutory provisions of *The Act*. The Board also discussed the importance of community support of name change requests. President McCall noted that the process for requesting name changes includes an initial request from the college president/CEO that outlines the community-driven efforts used to arrive at the proposed name.

MOTION: On behalf of the committee, Ms. Littrell moved that the recommendation be approved.

VOTE: The motion passed unanimously.

**ACTION: NAME
CHANGE FOR
OWENSBORO
COMMUNITY
COLLEGE AND
OWENSBORO
TECHNICAL
COLLEGE**

RECOMMENDATION: That the KCTCS Board of Regents approve the requests of the Owensboro Community College Board of Directors and the Owensboro Technical College Advisory Board to name the new college, resulting from the pursuit of single accreditation (SACS) and consolidation of Owensboro Community College and Owensboro Technical College, the “Owensboro Community and Technical College.”

Ms. Littrell noted that the KCTCS Naming Advisory Committee reviewed the name change requests and recommended approval. The requests are based upon community-driven efforts that included several discussions within the community.

MOTION: On behalf of the committee, Ms. Littrell moved that the recommendation be approved. Ms. Fiorella seconded the motion.

VOTE: The motion passed unanimously.

**ACTION: NAMING
OF THE
ADMINISTRATION
BUILDING AT
HAZARD
COMMUNITY
COLLEGE – LEES
COLLEGE
CAMPUS**

RECOMMENDATION: That the KCTCS Board of Regents approve the naming of the Administration Building on the Lees College Campus of Hazard Community College the “J. Phil Smith Administration Building,” as requested by the Hazard Community College President and Hazard Community and Technical College District CEO and endorsed by the Hazard Community and Technical College District Board of Directors.

The request of Hazard Community College is based upon KCTCS Board of Regents policy that stipulates “it is appropriate and often very desirable to name a building (or parts thereof) to express the esteem and appreciation the college and/or KCTCS feels for an individual, family, business, or organization that has given significantly and voluntarily of their time and money” Mr. J. Phil Smith’s commitment to postsecondary education in the Hazard Community and Technical College District exemplifies the spirit and intent of this policy. He has served the college voluntarily as a member of the Lees College Board of Trustees for 45 years and as president/chairman of the board for over 30 years. Mr. Smith is also recognized in the community, region, and Commonwealth of Kentucky as the single individual whose vision, leadership, and philanthropic support led the effort to create the Lees College Campus of Hazard Community College in 1996.

MOTION: On behalf of the committee, Ms. Littrell moved that the recommendation be approved.

VOTE: The motion passed unanimously.

**ACTION: REVISED
MISSION
STATEMENT FOR
OWENSBORO
COMMUNITY AND
TECHNICAL
COLLEGE**

RECOMMENDATION: That the KCTCS Board of Regents approve a revised mission statement for Owensboro Community and Technical College, contingent upon the Board’s approval of the name change of the college.

Ms. Littrell noted that the proposed mission statement responds to a Commission on Colleges of the Southern Association of Colleges and Schools (SACS) requirement that a consolidated comprehensive community and technical college have a revised mission statement that accurately describes the institution and its characteristics.

MOTION: On behalf of the committee, Ms. Littrell moved that the recommendation be approved. Ms. Fiorella seconded the motion.

VOTE: The motion was approved unanimously.

**INFORMATION:
PROPOSED
REVISION TO
KCTCS BOARD
OF REGENTS
MISSION
APPROVAL
POLICY 1.3.2.1.2**

The proposed revision of the *KCTCS Board of Regents Mission Approval Policy 1.3.2.1.2* expands the existing policy from a community college policy to a comprehensive KCTCS policy. President McCall noted that three KCTCS colleges intend to apply for SACS membership in 2003, and each must demonstrate compliance with the SACS Condition of Eligibility that “the institution must have a clearly defined, published statement of purpose appropriate to an institution of higher education.”

In accordance with Board of Regents protocol, the proposed revision will be presented for approval at the February 20-21, 2003, meetings.

**UPDATE: 2003
LEGISLATIVE
SESSION
AGENDA**

Ms. Littrell noted that the KCTCS legislative agenda regarding proposed housekeeping amendments to the *Kentucky Postsecondary Education Improvement Act of 1997* is moving forward as presented at the October 4, 2002, Board of Regents meeting.

Ms. Littrell further noted that the Executive Committee would represent the Board of Regents on legislative matters during the 2003 Legislative Session, pursuant to the *KCTCS Board of Regents Bylaws*. Should the Executive Committee need to meet regarding legislative matters, all Board members would be invited to attend.

**ADDITION TO
THE AGENDA**

**ACTION:
ENDORSEMENT
OF THE
DEVELOPMENT
OF A NEW
KCTCS
COMPENSATION
AND
CLASSIFICATION
PROGRAM**

RECOMMENDATION: That the KCTCS Board of Regents adopt the proposed resolution, as modified by the Executive Committee, endorsing the development of a new compensation and classification program based on the recommendations of the Mercer Human Resource Consulting Study. (*A hard copy of the proposed resolution reflecting the Executive Committee’s modifications was distributed at the meeting. The resolution, as approved by the Board of Regents, is attached as Attachment C.*)

Preliminary, draft findings of the compensation and classification study conducted by Mercer Human Resources Consulting, Inc., were discussed at a December 5, 2002, Board of Regents Workshop. The study included extensive feedback from employees via a web-based survey, focus groups, and dialogue forums held at several locations throughout the System.

The Board discussed several of the study’s preliminary findings and how to communicate the findings to employees. As a result of the discussion, a resolution endorsing the development of a compensation and classification program was proposed for approval at the Executive Committee meeting.

Chair Read noted that through the resolution, the Board of Regents directs the KCTCS President to develop and present for its approval a plan and timetable for the implementation of a new compensation and classification program. Funding for the program would be approved annually as part of the annual budget. It was further noted that the resolution complies with statutory mandates and protects the rights of all KCTCS employees.

Ms. Littrell noted the importance of communicating that the resolution approves the development of a compensation and classification framework to determine fair and equitable compensation and to create a uniform system for all KCTCS employees. The resolution would be useful when talking with members of the General Assembly about KCTCS compensation and classification issues. The resolution clearly states the philosophy and intent of the Board of Regents related to compensation and classification.

MOTION: On behalf of the committee, Ms. Littrell moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**DISCUSSION:
STUDENT
EMAIL FEE**

Ms. Littrell noted that the Executive Committee added a discussion item to its agenda regarding the new student email fee in response to concerns expressed by the Faculty Council. Ms. Littrell reported that the committee supported the continued implementation of the email fee.

**ACADEMIC
AFFAIRS AND
CURRICULUM
COMMITTEE
REPORT**

Academic Affairs and Curriculum Committee Chair Hanel presented the committee's report to the Board of Regents. Dr. Hanel reported that the committee lacked a quorum at its December 5, 2002, meeting and took no action on agenda items.

**ACTION:
RATIFICATION
OF NEW
CREDIT
CERTIFICATE
PROGRAMS**

RECOMMENDATION: That the Board of Regents ratify the approval of the new credit certificate programs listed in the agenda book.

Dr. Hanel noted that most of the 36 certificates under consideration are embedded in other programs. Some are the result of "rolling over" an existing curriculum to a new integrated curriculum with multiple exit points. All certificate programs included on the list are applicable toward at least one degree program; additional resources are not required for their implementation. They meet all KCTCS program approval policies and procedures, the *KCTCS Policy on Collaborative Program Development*, the *KCTCS Policy on Inter-Branch Transfer of Credit*, and all applicable Council on Postsecondary Education policies and procedures.

MOTION: Dr. Hanel moved that the recommendation be approved. Ms. Littrell seconded the motion.

VOTE: The motion was approved unanimously.

**ACTION: NEW
PROGRAM
PROPOSAL –
ASSOCIATE IN
APPLIED
TECHNOLOGY IN
INDUSTRIAL
MAINTENANCE
TECHNOLOGY
FOR BOWLING
GREEN
TECHNICAL
COLLEGE**

RECOMMENDATION: That the Board of Regents approve an Associate in Applied Technology in Industrial Maintenance Technology for Bowling Green Technical College to be implemented in spring 2003.

The proposed AAT degree is designed to meet workforce needs in Kentucky and is consistent with the mission of Bowling Green Technical College and KCTCS. A community-based survey of 22 local industries demonstrated need for the Industrial Maintenance Technology degree program. According to the *Barren River Occupational Outlook to 2005*, industrial maintenance technicians are among the top 50 Barren River area occupations. According to the *Kentucky Occupational Outlook to 2006*, industrial maintenance technicians are among the 25 Kentucky occupations with the most annual job openings that require extensive postsecondary education.

The proposed 63-71 credit hour AAT program is based on an approved KCTCS curriculum. The intent of KCTCS is to phase out the AAT credential. A curriculum committee meeting has been scheduled for December 17, 2002, to begin the process of converting the AAT in Industrial Maintenance at all KCTCS colleges to an Associate in Applied Science program. No additional funding will be required for implementation of the AAT degree.

According to the *1997-2002 Kentucky Plan for Equal Opportunities in Postsecondary Education*, Bowling Green Technical College has automatic eligibility to offer programs.

MOTION: Dr. Hanel moved that the recommendation be approved.
Dr. Wise seconded the motion.

VOTE: The motion was approved unanimously.

**ACTION: NEW
PROGRAM
PROPOSAL –
ASSOCIATE IN
APPLIED
SCIENCE IN
RESPIRATORY
CARE – ENTRY
LEVEL
PRACTITIONER
AND AN
ASSOCIATE IN
APPLIED
SCIENCE IN
RESPIRATORY
CARE –
ADVANCED
LEVEL
PRACTITIONER
FOR SOMERSET
COMMUNITY
COLLEGE**

RECOMMENDATION: That the Board of Regents approve an Associate in Applied Science in Respiratory Care – Entry Level Practitioner and an AAS in Respiratory Care – Advanced Level Practitioner for Somerset Community College to be implemented in fall 2003.

Dr. Hanel noted that Somerset Community College is presently approved to offer a diploma program in Respiratory Care at its Laurel Campus. The Committee on Accreditation for Respiratory Care (CoARC) requires a minimum of an Associate Degree in Respiratory Care for entry-level practice. The entry-level program prepares graduates for the Certified Respiratory Therapist (CRT) credentialing exam. The proposed advanced-level program prepares graduates for the Registered Respiratory Therapist (RRT) credentialing exam administered by the National Board for Respiratory Care (NBRC).

The proposed AAS degrees are designed to meet workforce needs in Kentucky and are consistent with the mission of KCTCS and Somerset Community College. According to the *Occupational Outlook Handbook* compiled by the Bureau of Labor Statistics, employment of respiratory care practitioners is expected to increase between 21 and 35 percent through 2010.

The proposed 66-68 credit hour AAS – Entry Level Practitioner and the 74-77 credit hour AAS – Advanced Level Practitioner programs are based on approved KCTCS curricula. Library resources will be available at Somerset Community College and via the Kentucky Virtual Library. No additional funding will be required for implementation.

According to the *1997-2002 Kentucky Plan for Equal Opportunities in Postsecondary Education*, Somerset Community College has automatic eligibility to offer programs.

MOTION: Dr. Hanel moved that the recommendation be approved.
Mr. Jackson seconded the motion.

VOTE: The motion was approved unanimously.

**ACTION: NEW
PROGRAM
PROPOSAL –
ASSOCIATE IN
APPLIED
SCIENCE AND
DIPLOMA IN
SURGICAL
TECHNOLOGY
FOR
SOMERSET
COMMUNITY
COLLEGE**

RECOMMENDATION: That the Board of Regents approve an Associate in Applied Science and a Diploma in Surgical Technology for Somerset Community College to be implemented in fall 2003.

The proposed diploma and AAS degree are designed to meet workforce needs in Kentucky and are consistent with the mission of KCTCS and Somerset Community College. If approved, the AAS in Surgical Technology will be the first for KCTCS. Graduates of the AAS will be eligible to take the national certification exam.

Medical administrators requested the programs due to the documented shortage of prepared surgical technologists in the community. A community-based survey of local healthcare facilities demonstrated need for the Surgical Technology programs. According to the Bureau of Labor Statistics' *Occupational Outlook Handbook 2002-2003*, employment of surgical technologist and surgical first assistants is expected to increase between 21 percent and 35 percent through 2010. Technological advances, such as fiber optics and laser technology, also will permit new surgical procedures to be performed.

The proposed 64-69 credit hour AAS program and the 45-60 credit hour diploma program are based on a revised KCTCS curriculum that is scheduled to be on the agenda of the Community College Council in December. No additional funding will be required for implementation.

MOTION: Dr. Hanel moved that the recommendation be approved.
Ms. Logsdon seconded the motion.

VOTE: The motion was approved unanimously.

**ACTION: KCTCS
COLLEGES'
CANDIDATES
FOR
CREDENTIALS**

RECOMMENDATIONS:

- That the Board of Regents approve the awarding of KCTCS colleges' candidates for degrees and diplomas and ratify certificates with the credentials (degrees, diplomas, and certificates) to be awarded to the candidates upon certification that the requirements have been satisfactorily completed (see agenda materials Attachment A, pages 103-180).
- That the Board of Regents approve the awarding of associate degrees to KCTCS community college candidates who have met all requirements for programs approved by the University of Kentucky Board of Trustees, with the degrees to be awarded to the candidates by UK upon certification that degree requirements have been satisfactorily completed (see agenda materials Attachment A, pages 103-180).

Dr. Hanel noted that the recommendations are for the period September 2 through November 1, 2002, and include 3,250 credential requests. Of that number, there are 1,273 certificates, 702 diplomas, 384 associate of arts degrees, 106 associate of science degrees, 682 associate of applied science degrees, and 103 associate of applied technology degrees.

Chair Hanel congratulated the candidates for persisting with their education.

MOTION: Dr. Hanel moved that the recommendations be approved.
Dr. Wise seconded the motion.

VOTE: The motion was approved unanimously.

**INFORMATION:
PROPOSED
REVISIONS TO
KCTCS BOARD
OF REGENTS
LIBRARY
COLLECTIONS
POLICY 4.1.1.3.5**

Dr. Hanel noted that several KCTCS colleges intend to apply for SACS membership in 2003; they must demonstrate compliance with the SACS Condition of Eligibility stating that

The institution must have sufficient learning resources or, through formal agreements or appropriate technology, ensure the provision of and ready access to adequate learning resources and services to support the courses, programs, and degrees offered.

The proposed revision expands the policy from a community college policy to a comprehensive KCTCS policy, which facilitates the library collection process to meet SACS standards. He noted that the proposed policy would be presented to the Board of Regents as an action item at the February 21, 2003, meeting.

**UPDATE:
ACCREDITATION
VISITS**

Dr. Hanel noted that the committee received an update on accreditation visits at Jefferson Community College; Somerset Community College, Somerset Technical College, and Laurel Technical College; and Owensboro Community College and Owensboro Technical College.

Jefferson Community College hosted a SACS Special Committee Reaffirmation Visiting Team October 14-16, 2002. The team reviewed 21 recommendations and follow-ups. It found all the deficiencies included in its recommendations had been rectified except one that related to the need to submit an official balance sheet for 2002. It was noted that on October 31, 2002, the System sent the required information to SACS along with similar information for other KCTCS colleges receiving the same balance sheet recommendation. The visiting team chair was very complimentary of the faculty, staff, and leadership of Jefferson Community College for the hard work they have done to be reaccredited. Dr. Hanel expressed appreciation to the staffs of KCTCS and Jefferson Community College for their efforts that led to the college's reaccreditation.

Somerset Community College, Somerset Technical College, and Laurel Technical College hosted a SACS visiting team November 3-5, 2002. Their consolidation substantive change request was the focus of the visit. The team gave a commendation on the manner in which the colleges had accomplished the consolidation/merger. The team made two recommendations: 1) That the institution includes the appropriate accrediting information in all significant publications and 2) That the name of the institution be accurate, descriptive, and appropriate.

Owensboro Community College and Owensboro Technical College hosted a SACS visiting team November 5-7, 2002. Their consolidation substantive change request was the focus of the visit. The briefing with the team indicated that the college would receive seven recommendations, including a revised mission statement, an updated joint master plan for facilities, the use of feedback and improvement as a result of evaluation, library access and information technology availability on the Southeastern Campus, and the credentials of eight employees.

Chair Read noted that at the SACS annual meeting later in the month, KCTCS would have three prospectuses on the agenda.

The Board of Regents recessed at 10:15 a.m. and reconvened at 10:30 a.m.

**FINANCE,
TECHNOLOGY,
AND HUMAN
RESOURCES
COMMITTEE
REPORT**

Finance, Technology, and Human Resources Committee Chair Bean presented the committee's report to the Board.

**ACTION:
RATIFICATION
OF PERSONNEL
ACTIONS**

RECOMMENDATION: That the Board of Regents ratify the personnel actions listed in the agenda materials.

The open positions were advertised and followed equal opportunity guidelines for nondiscriminatory hiring practices.

MOTION: On behalf of the committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion passed unanimously.

**ACTION: 2001-02
ANNUAL AUDIT
REPORT**

RECOMMENDATION: That the KCTCS Board of Regents receive the financial audit results for the 2001-02 fiscal year.

Mr. Bean noted that Mr. J. Bernard Backert, Director of Auditing Services, Deloitte and Touche LLP, and Mr. Jim Carpenter, Audit Partner in Charge, Deloitte and Touche LLP, presented the 2001-02 financial audit report at the committee meeting.

The auditors reported that the System is in sound financial condition and that the independent opinion issued by Deloitte and Touche LLP, is an unqualified opinion. This opinion means that the KCTCS financial statements present fairly, in all material respects, the KCTCS financial position on June 30, 2002. The accounting policies have been consistent from year to year. It was reported that the audit firm found no weaknesses in the KCTCS internal controls that would be considered material. KCTCS has received a clean, unqualified opinion for each of the fiscal years it has been audited.

New Governmental Accounting Standards Board (GASB) rules were implemented during fiscal year 2001-02. Under the new GASB rules, items costing \$5,000 are considered capital assets. This minimum purchase cost is significantly higher than the previous \$500 requirement. Public higher education institutions had to record depreciation for the first time during the fiscal year, which resulted in a \$192 million decrease in KCTCS net assets. Mr. Bean noted that depreciation of KCTCS capital assets would be approximately \$1 million per month. At the close of the fiscal year, KCTCS showed assets of \$502 million and liabilities of \$108 million, resulting in net assets of \$394 million. Net capital assets totaled \$286 million.

Other new GASB rules require public higher education institutions to report state appropriations as a nonrevenue source and to delay recording endowment contributions until they are received. KCTCS had a net positive \$9.5 million income from operations and nonoperations revenue.

KCTCS received an unqualified report on the audit of its major federal programs in compliance with the requirements of the *U.S. Office of Management and Budget Circular A-133*. Auditors reported that the programs were administered very well, including student financial aid. It was noted that federal agencies usually accept the independent auditors findings related to federal programs.

Chair Read and Mr. Bean thanked the auditors and the System staff for their assistance with the audit. She also thanked them for assisting the Board of Regents with its understanding of the new GASB reporting requirements.

MOTION: On behalf of the committee, Mr. Bean moved that the recommendation be approved. Ms. Tompkins seconded the motion.

VOTE: The motion passed unanimously.

**UPDATE: KCTCS
QUARTERLY
FINANCIAL
REPORT**

The Current Funds Revenue and Expense Report reflects actual program and operational expenditures compared to the 2002-03 budget approved by the Board of Regents June 28, 2002. This report reflects total revenues of \$150 million, 34 percent of the budgeted revenue and appropriated funds. The Current Funds Revenue and Expenditure Report also reflects current fund expenditures and contingency for the first quarter of the fiscal year of \$113 million, 25 percent of the expenditures budgeted for the year.

**UPDATE:
SYSTEM OFFICE
SPACE LEASE**

Mr. Bean reported that KCTCS received approval from the Council on Postsecondary Education and the Finance and Administration Cabinet for a material change to the capital lease authorization for the KCTCS System Office. He noted that the General Assembly's Capital Projects and Bond Oversight Committee would consider the proposal at its regular monthly meeting on December 17, 2002.

The change in project status facilitates a lease-purchase agreement between the City of Versailles and KCTCS, whereby KCTCS would occupy and eventually acquire the 124,000 square foot Texas Instruments Building in Versailles. The material change would provide a permanent home for the KCTCS System Office. For the first time since the creation of KCTCS in 1997, all System Office personnel would be housed in one location. The Versailles facility also would house conferencing facilities. Eventually, the facility will house training facilities for local business and industry and additional academic offerings in the Bluegrass Community and Technical College District.

**UPDATE:
CAPITAL
CONSTRUCTION
STATUS
REPORT, 1998-
2002**

Mr. Bean noted that all of the capital projects were proceeding on time and within scope and budget. When six of the 32 projects are completed (projects in Ashland, Hindman, northern Kentucky, McCreary County, and Somerset), they will be unable to open because they lack maintenance and operations funding. Another project, the Leslie County Branch of Hazard Community College, also lacks maintenance and operations funding. The Leslie County Branch project was excluded from the update book because KCTCS did not manage the project. Mr. Bean noted that the committee requested staff to continue talking with legislators about the lack of M&O funding.

**UPDATE:
KCTCS
FOUNDATION**

Mr. Bean noted that the committee added an update item on the KCTCS Foundation to its agenda. KCTCS Foundation's Major Gifts Campaign is underway. He encouraged regents to contribute to the campaign.

**ADDITION TO
THE AGENDA**

**UPDATE:
KCTCS 2002-03
AND 2003-04
BUDGET
REDUCTION
PLAN**

Mr. Bean noted that the CPE was asked to prepare a budget reduction plan for postsecondary education amounting to 2.6 percent in 2002-03 and 5.2 percent in 2003-04. Based on the draft CPE plan, the potential reduction for KCTCS for 2002-03 is \$4.4 million (a 2.5 percent reduction) and \$9.1 million (a 5.0 percent reduction) for 2003-04 on a recurring basis.

Mr. Bean noted that plans for a potential reduction in 2002-03 are substantially in place given the reduction plan included in the Board's June 28, 2002, *KCTCS 2002-03 Annual Budget Adoption Resolution*. All options available to KCTCS – reducing services, eliminating funded vacant positions, limiting equipment purchases, and further raising tuition rates – would be considered when developing a reduction plan for 2003-04. If the proposed budget reductions do become reality, performance bonuses would not be paid as indicated in the budget resolution adopted by the Board of Regents at its June 28, 2002, meeting.

It was noted that many of the System's new academic and technical programs have been implemented through reallocation of resources. President McCall noted that the System has hard decisions to make should the proposed 5 percent budget reduction be implemented. He emphasized the need to avoid a "short-term" fix for a recurring budget dilemma. President McCall pointed out that the legislature must be shown the difficulties and consequences encountered to meet budget requirements.

Chair Read thanked Mr. Bean for his foresight to plan for budget shortfalls.

**EXECUTIVE
SESSION**

MOTION: Mr. Powell moved that the Board of Regents go into executive session pursuant to KRS 61.810 (1) (f), "Individual Personnel Matters." Mr. Jackson seconded the motion.

VOTE: The motion passed unanimously, and the Board went into executive session at 11:00 a.m. (ET).

OPEN SESSION

The Board reconvened in open session at 11:25 a.m. (ET). Chair Read reported that the Board discussed an individual personnel matter and that there was no action to bring before the Board as a result of the executive session.

**NEXT REGULAR
MEETING**

Chair Read announced that the next Board of Regents meeting would be February 21, 2003, and would be in the Hopkinsville Community and Technical College District, Hopkinsville, Kentucky.

ADJOURNMENT

MOTION: Mr. Powell moved that the Board of Regents adjourn. Mr. Jackson seconded the motion.

VOTE: The motion passed unanimously, and the meeting adjourned at 11:29 a.m. (ET).

2/21/03

Date Approved by the
KCTCS Board of Regents

Cynthia L. Read, Chair
KCTCS Board of Regents

Joseph B. Wise, III, Secretary
KCTCS Board of Regents

Michael B. McCall, Ed.D.
KCTCS President

**KCTCS Board of Regents
Meeting Guests – December 6, 2002**

***President's
Cabinet***

Dr. Michael B. McCall, President
Dr. Keith W. Bird
Dr. Candace S. Gosnell
Ms. Beverly H. Haverstock
Mr. Jon S. Hesseldenz
Ms. Beth R. Hilliard
Mr. J. Kenneth Walker

***System
Office Staff***

Ms. Cynthia Ackley
Mr. Bryan Armstrong
Ms. Billie Hardin
Dr. Joan Lucas

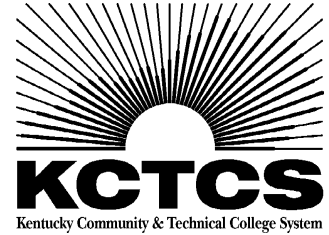
***Community & Technical
College Districts***

Bowling Green
Ms. Sandra Appling, Campus Director
Mr. Brian McLerran, Industrial
Maintenance Technology Faculty

Somerset
Mr. Greg Fryman

***Other
Guests***

Ms. Mary Caroline Burzlaff,
Georgetown College Student
Ms. Neely Don McLaughlin,
Georgetown College Student
Dr. William Crouch, Georgetown
College President
Dr. William Pollard, Georgetown
College Provost
Mr. J. Bernard (Bernie) Backert,
Director of Auditing Services,
Deloitte and Touche LLP
Mr. Jim Carpenter, Audit Partner in
Charge, Deloitte and Touche LLP
Mr. Robert Tye, TFSA-AFT



President's Report

Board of Regents Meeting
December 6, 2002

KCTCS System Office
Lexington, Kentucky

The following information provides updates on the efforts to accomplish the KCTCS GOALS as outlined in the 2000-2005 Strategic Plan, July 2002 edition.

STUDENT ACCESS, SUCCESS, and SERVICES

KCTCS colleges will increase student access and promote student success through responsive, innovative student support programs and services.

BELL/Oxford Program Update (C.A.R.E.) (C-2)

Two former Elizabethtown Community College (ECC) students who transferred to Georgetown College are planning to travel to Oxford, England, this summer to participate in the "British Experience in Learning and Living" program that is the result of a partnership between KCTCS and Georgetown College. Mary Caroline Burzlaff and Neely Don McLaughlin grew up together in Elizabethtown, studied together at ECC, are currently rooming together at Georgetown College, and are planning to study at Oxford together this summer. Both are majoring in English with a minor in Art. Georgetown College President, Dr. William Crouch, and Provost, Dr. William Pollard, plan to attend the December 6, 2002, Board of Regents meeting to introduce Ms. Burzlaff and Ms. McLaughlin to the Board of Regents. Additionally, Elizabethtown Community College professor, Dr. Gary Sterns, who taught both students at ECC and participated as a faculty member in the BELL program, will address the Board.

Enrollment Management (C.A.R.E.)

The final fall 2002 enrollment reported to the Council on Postsecondary Education (CPE) on November 1, 2002, was a record breaking **67,813**, a 7.4 percent increase over fall 2001. Additionally, enrollment of full-time students increased 8.5 percent. Factors that contributed to this increase include: a 55 percent (2,032) increase in enrollment in information technology programs, a 62 percent increase (9,821) in distance learning programs, and an 85 percent increase (8,978) in high school students enrolled in college courses.



AACC MentorLinks Grant (C.A.R.E.)

KCTCS is collaborating with the American Association of Community Colleges (AACC) and Jackson State Community College, Tennessee, to develop a curriculum in Geographic Information Systems (GIS) as a result of the AACC MentorLinks Grant project. Areas being studied include, but are not limited to: Agricultural GIS, Urban GIS, National Resources, Management GIS, Global Positioning Satellite Data, and Remote Sensing Data.

Ready-to-Work (C.A.R.E.)

From the beginning of the fall term through the month of October 2002, KCTCS colleges recruited and/or served 1,112 Kentucky Transitional Assistance Program (KTAP) students and 161 Transitional Assistance for Needy Families (TANF) eligible students, actively engaging or serving 938 of those through Ready-to-Work (RTW). This is an increase over the number recruited and served during this same time period in 2002, which indicates a continuous increase in RTW numbers. The number of RTW students presently participating in work-study totals 355.

The percentage of RTW students returning fall 2002 from the spring 2002 semester is 78 percent. This exceeds the retention rate for the colleges in general.

With assistance from the Kentucky Cabinet for Families and Children and Trapp Communications, KCTCS has developed a new Ready-to-Work video to be used to recruit new students into RTW and new employers for RTW work-study jobs.

Kentucky-Ohio Reciprocity Agreement (C.A.R.E.)

KCTCS officials joined college officials from Kentucky and Ohio in Ironton, Ohio, for a signing ceremony for an agreement that extends in-state tuition rates to students in Kentucky and Ohio. The reciprocity agreement will be effective in January 2003 through June 2003 and involves Ashland's community and technical colleges, Morehead State University, Ohio University, and Ohio University Southern. Early next year, representatives from the state agencies and institutions will begin to develop a comprehensive agreement that will include the institutions in the Northern Kentucky/Greater Cincinnati agreement and extend this agreement to include Maysville Community College, Rowan Technical College, and Morehead State University - Main Campus. This expanded agreement will be effective July 1, 2003, through June 30, 2005.

PROGRAM QUALITY and EFFECTIVENESS

In response to community needs, KCTCS colleges will expand and develop innovative, high quality programs incorporating the best practices of teaching and learning.

Ford Foundation Community College Bridges to Opportunity Initiative (C.A.R.E.)

Through the Ford Foundation grant, KCTCS co-sponsored the October 17th Governor's Summit on "Quality of Life in the Commonwealth." Approximately 120 state and local leaders, representing both public and private sectors, discussed and analyzed Kentucky's progress and policies for moving low-income citizens from poverty to prosperity. The products are an extensive "Asset Map/Gap Analysis" and a "Blueprint for the Future." The "Asset Map/Gap Analysis" provides information on key data and service elements that are currently available and a gap analysis indicating areas of need. This information is then used to develop the "Blueprint for the Future" outlining the goals and strategies for achieving a higher "quality of life" for low income Kentuckians.

Adult Education Online Curriculum (C.A.R.E.) (C-2)

The Department for Adult Education and Literacy (DAEL) trained 10 KCTCS developmental education faculty in three pilot districts (Elizabethtown, Owensboro, and Somerset) to access the PLATO curriculum through the Kentucky Virtual Adult Education network (KYVAE). These instructors are co-enrolling developmental education students with DAEL and managing their web-based instruction through KYVAE. KCTCS, DAEL, and KYVU are exploring the possibility and timeline for expansion of this opportunity to additional KCTCS faculty and districts.

IT Fast Track (C.A.R.E.)

IT Fast Track, in association with the Kentucky Information Technology Center and the AACC Working Connections Project, delivered four IT workshops in October 2002 for 30 faculty and conducted three 4.0 NT Boot Camps for the Kentucky Association of Libraries and Archives' training for 49 people. Additionally, KCTCS has entered into a new partnership with Microsoft and the National Workforce Center for Emerging Technologies to develop a Microsoft Regional IT Academy. This academy will provide certification training and mentoring in Microsoft Software for Kentucky's Microsoft Academies.

A partnership has been developed with the National Center for Emerging Technologies and the American Association of Community Colleges for KCTCS to be an initial member of the Working Connections: IT Faculty Development Institute. This initiative will develop into a one-week community and technical college faculty institute to be held in the summer of 2003 in six targeted areas of IT. The primary audience will be faculty from Kentucky, and the secondary audience will be faculty from contiguous states.

PROFESSIONAL and ORGANIZATIONAL DEVELOPMENT

KCTCS colleges will invest in the development of faculty and staff and will support dynamic, unified, healthy, and rewarding campus environments.

KCTCS Classification and Compensation Study (C.A.R.E.)

KCTCS carried out three initiatives during the past six weeks to continue the process of sharing information with and receiving comments from faculty and staff about issues related to compensation and classification. These include:

- Dialogue Forums at five colleges across the state and the System Office.
- Presentations at individual districts.
- A faculty/staff survey.

Faculty and staff were invited to attend any of the Dialogue Forums, which consisted of two presentations. A presentation was given on "*Protecting the Rights and Building the System*," and staff distributed materials on the Classification and Compensation Program and Practices Study.

The Mercer Group's initial phase of the study will be completed by December 2002.

Improved KCTCS Communications (C.A.R.E.)

A focus group on employee communications was convened in August 2002 to address the KCTCS strategic priority to improve communication at all levels throughout the System. With feedback from campus and System leadership, the following changes are being implemented:

- Face-to-face communications at all levels are being increased to supplement written communications.
- Consistent talking points are being used to convey messages systemwide on key issues.
- All faculty and staff were invited to attend six Dialogue Forums that were scheduled in locations within driving distance to all college districts and were intended to open up two-way, face-to-face communications on the topic of classification and compensation.
- Additional presentations in all districts have been made to share with and receive information from faculty and staff, focusing on but not limited to issues of classification and compensation.
- Employees have been involved in a study that will lead to proposed changes in classification and compensation.
- The KCTCS quarterly print newspaper for faculty and staff – the *Exchange* – has been enhanced to promote distribution of news about the accomplishments of colleges.
- The KCTCS biweekly digital newspaper – *Online Headlines* – has been enhanced to increase distribution of timely news on policies and procedures.
- Changes are being studied in System Office forums used to promote communication of key policies and issues.

Ashland Teaching and Learning Conference (C.A.R.E.)

KCTCS financially supported the Ashland Teaching and Learning Conference, October 10-12, 2002, through the Faculty Development Program funded by the CPE Incentive Trust Fund. Over 800 faculty from Kentucky and surrounding states attended.

KCTCS System and College Calendar of Events for Professional and Organizational Development (C.A.R.E.)

A calendar of events for colleges, System Office, local, regional, state, national, and international professional and organizational development opportunities has been developed and is available on the KCTCS web site at <http://unity.kctcs.net/dscgi/ds.py/View/Collection-1867>

KCTCS New Chairs Seminar (C.A.R.E.)

In a collaborative initiative with the University of Kentucky (UK), 22 KCTCS new division/department chairs attended the second annual event in the New Chairs Seminar Series. Collaboration on this project has been well received by both UK and KCTCS participants.

COMMUNITY/ECONOMIC DEVELOPMENT and PARTNERSHIPS

KCTCS colleges will strengthen the economic development of our communities and state by expanding educational opportunities, improving outreach services, and creating new partnerships.

Workforce Alliance Initiative (C.A.R.E.) (C-2)

Within the context of the Workforce Alliance agreement with the Department for Adult Education and Literacy for FY 2002-03, KCTCS has 21 projects approved to deliver workplace essential skills training. This represents a commitment of \$360,279 to serve approximately 1,320 Kentucky workers.

Empower Kentucky (C.A.R.E.)

KCTCS signed a Memorandum of Agreement with the Empower Kentucky Center for Excellence in Government to provide consulting, training, project management, research, and facilitation services to government agencies. This agreement is for \$400,000 in 2002-03 and \$400,000 in 2003-04.

KY WINS (C.A.R.E.)

The KCTCS KY WINS funding initiative has committed to the following:

- Nine completed projects totaling \$382,564 that served 1,736 individuals and resulted in the creation of 1,128 new jobs.
- Thirty-three active projects totaling \$6,352,550 serving 9,723 individuals and potentially resulting in the creation of over 2,000 new jobs.
- Several potential projects totaling \$5,325,098 in conjunction with the Cabinet for Economic Development as part of Kentucky's economic incentive package to attract new companies to Kentucky or assist existing companies that are expanding.
- Twelve projects serving 5,224 individuals have been approved since July 1, 2002.

RESOURCE DEVELOPMENT

KCTCS will seek additional fiscal, physical, and information technology resources and will use all resources effectively and efficiently to serve students.

Major Gifts Campaign Update (C.A.R.E.)

The KCTCS Office of Institutional Advancement continues to implement its Plan of Campaign for system-level, statewide initiatives. Under the leadership of Mr. Bruce Bailey, the family division campaign is progressing. Forty-nine family campaign volunteers have been trained and are making solicitations. Forty-two commitments have been made to date. Under the leadership of Martha Johnson, volunteers for the Board Division are in place. Training and solicitations will occur soon. The KCTCS System Office Internal Campaign, comprised of the Family and Board Divisions, is on schedule to conclude by the end of the calendar year.

President Michael McCall has conducted seven, one-on-one Executive Awareness sessions with state leaders. Others are scheduled through the end of the year. These sessions are designed to increase awareness, cultivate friendships, determine the needs of the prospects, and obtain advice that will enable KCTCS to launch the external phase of the major gifts campaign.

The design for the KCTCS Major Gifts marketing materials has been completed. Work continues with Meridian Communications to produce campaign materials for the KCTCS Major Gifts Campaign as well as for districts already in campaign.

The Owensboro Community and Technical College District has completed its internal campaign. Bowling Green and Hopkinsville Districts and are in the process of conducting their internal campaigns. CEOs of these districts, as well as the Henderson and Madisonville district CEOs, are continuing to conduct Executive Awareness sessions.

The Maysville Community and Technical College District conducted a Feasibility Study the weeks of November 4 and November 11, 2002. Findings from the study will be presented in December 2002. The remaining districts are scheduled for spring 2003 and fall 2003. Groupings may change based on readiness factors as agreed upon by the KCTCS Office of Institutional Advancement and the district CEO and advancement officer.

Information Technology Update (C.A.R.E.)

The implementation of PeopleSoft 8.0, the web-based enhancement to the KCTCS Student, Human Resources, and Advancement systems, is progressing smoothly in partnership with our application service provider, Crestone International. When implementation is completed in the spring term, this new software will provide web-based student registration; student, faculty, and staff self-service features (such as online address changes, benefits verification, donation history lookup, and many others); increased security; intuitive navigation with a web-browser; email-based communication; and direct access to much more information than has been previously available.

Two related activities, the Campus Portal project and the Active Directory project, comprise an access and security enhancement, which will give all users a single-sign-on point of access for all KCTCS information systems in a secure environment. In addition, the portal will be the public access point for the KCTCS web pages and will allow “guest access” to prospective students wishing to review the KCTCS catalog of programs and offerings.

At the beginning of the spring 2003 term, email will be provided to all students taking one or more credits at KCTCS colleges. Better communications between the institution and students, among students and faculty, and student-to-student information sharing are the goals of this initiative. Universal student email will also allow personally addressed grades, financial aid information, schedules, class rosters, and billing information to be sent directly to all students.

In January 2003, Community Economic Development staff at selected colleges will begin use of a new enhancement to the KCTCS Student System that aids management of non-credit programs and simplifies entry of these programs and events. Not only will this enhancement aid colleges in managing their non-credit programs, it will provide a central repository of information about such programs accessible from all KCTCS locations.

In communications technology, a voice over internet protocol (VOIP) telephone system has recently been implemented at all locations of Gateway Community and Technical College. VOIP provides single telephone number access for all locations of a college and free long distance among all KCTCS locations. VOIP is now being implemented by the Owensboro District and soon thereafter at the KCTCS System Office.

Prestonsburg Community College Student Center Building Dedication (C.A.R.E.) (E-17)

Regent Joe Wise and President McCall joined Dr. George Edwards, college president/CEO, and other officials from the college and the community at the dedication ceremony for the newly constructed Student Center on the campus of Prestonsburg Community College on November 14, 2002. Student Regent Ida Thompkins also attended. The \$5.5 million, 28,000 square foot building will house student services, including a counseling center, classrooms, a student lounge, and student grill. Additionally, Dr. Edwards' offices and other administrative offices will be located in the new facility.

Jefferson Community and Technical College District – Shelby County Campus (C.A.R.E.) (E-17)

Governor Paul E. Patton and President McCall joined Dr. Anthony Newberry, college president/CEO, and other officials from the college and the local community at the grand opening celebration for the Shelby County Campus located in Shelbyville, on November 19, 2002. The \$10.8 million, 48,000 square foot building, which opened in August 2002, currently enrolls approximately 230 students. The current programs include business studies, machine-tool technology, nursing, and general education courses. The campus also offers dual credit courses to local high school students.

UNIFIED SYSTEM of COLLEGES and PUBLIC RECOGNITION

KCTCS will be a unified system of comprehensive community and technical colleges, recognized as a state and national leader in postsecondary education.

Accreditation Update (C.A.R.E.) (A-6, A-7)

Jefferson Community College hosted a Commission on Colleges of the Southern Association of Colleges and Schools (SACS) Special Committee Reaffirmation Visiting Team on October 14-16, 2002.

Somerset Community College, Somerset Technical College, and Laurel Technical College hosted a SACS Visiting Team on November 3-5, 2002. Their consolidation substantive change request was the focus of the visit.

Owensboro Community College and Owensboro Technical College hosted a SACS Visiting Team on November 5-7, 2002. Their consolidation substantive change request was the focus of the visit.

National Recognition (C.A.R.E.)

KCTCS is becoming nationally recognized as an educational leader as evidenced by the following:

- Nine individuals from Albuquerque Technical Vocational Institute in Albuquerque, New Mexico, visited Kentucky to meet with and learn from the KCTCS Perkins Accountability Project Management Team on November 4-5, 2002.
- Presentations on the KCTCS Perkins Accountability Project were given by staff in Richmond, Virginia, at the Mid-Atlantic WorkKeys Conference October 27, 2002.
- Three presentations were given at the National Council for Continuing Education and Training Conference in Virginia October 28-30, 2002. KCTCS staff presented on KCTCS

Credit Conversion, Lean Manufacturing, and New Models for Serving Underserved Populations.

- KCTCS participated in an invitational Wingspread Conference on Community College/University Collaboration in Teacher Preparation October 28-29, 2002.
- KCTCS presentations are scheduled at the upcoming Commission on Colleges of the Southern Association of Colleges and Schools and the Association Career Technical Education conferences in December 2002.

Community College Times Feature Article

The role of Walter Cronkite, former CBS Evening News anchor, as voice of the KCTCS Major Gifts Campaign was the topic of a front-page article in the November 26 edition of the *Community College Times*. The article continues to bring national attention to the success of KCTCS as well as to the current fund raising campaign.

Publications Awards

The KCTCS “Changing Lives” marketing campaign has won additional state and national recognition, earning five awards from the Kentucky Association of Government Communicators and two honors from the National Council for Marketing and Public Relations. The “Changing Lives” campaign features public and media relations, publications, advertising, and electronic media. It is managed by the KCTCS Public Relations Department with creative input from Trapp Communications.

OTHER HIGHLIGHTS:

Strategic Planning Process Update (C.A.R.E.)

Current activities leading to the development of the *2006-2012 Strategic Plan* are focused on collecting data for an environmental scan that will be conducted in spring 2003. Statistical research as well as articles from educational and news publications are being reviewed for predictable patterns and trends.

Sources of information include the Kentucky State Data Center; U.S. Bureau of Census; *Chronicle of Higher Education*; Kentucky Cabinet for Economic Development; Kentucky Council on Postsecondary Education; plus a variety of national newspapers, scholarly journals, and strategic planning materials.

Council on Postsecondary Education (CPE) Meeting Update – November 4, 2002

At the November 4, 2002, meeting, the CPE agenda included the following items of interest to KCTCS:

- **Action - KCTCS Administrative Offices Lease** – The Council approved the request to contract with the City of Versailles to provide office space to adequately house the System Office staff, provide adequate conference and meeting facilities for KCTCS, and expand KCTCS educational and training initiatives in central Kentucky.
- **Showcasing Reform: MuSU/KCTCS/KYVU Collaboration** – KCTCS, Murray, the Office of the New Economy, and BellSouth made a brief presentation to the CPE to spotlight the collaborative efforts involving a transfer agreement between the AAS in information

technology offered by KCTCS and a BS in telecommunications systems management offered by Murray as a program of distinction. KYVU is also a partner promoting easy transfer through online course offerings. The KCTCS program is already online; and through a funding initiative of BellSouth and the Office of the New Economy, Murray is also developing an online course curriculum.

- **Action - Kentucky-Ohio Tuition Reciprocity Agreement** – The CPE approved the agreement that involves Ashland Community College, Ashland Technical College, Morehead State University, Ohio University-Southern, Rio Grande Community College, and Shawnee State University.
- **Committee on Equal Opportunity (CEO) Report** – The CPE was provided an update on the CEO's October meeting where KCTCS' Affirmative Action Plan was presented and well received. It was reported that CPE staff will work with KCTCS to establish new goals for consolidated colleges as they obtain SACS approval of substantive change.
- **Action - Key Indicators of Progress** – The CPE reviewed updated results for four key indicators and approved new goals for three key indicators under Question 1 – *Are More Kentuckians Ready for Postsecondary Education?* and for one key indicator under Question 2 – *Are More Students Enrolling?*
- **Institute for Effective Governance Update** – A survey of topics of interest administered at the 2002 Trusteeship Conference resulted in identifying enrollment management, presidential evaluation/compensation, strategic planning/accountability, and Bucks for Brains/Programs of Distinction as the topics to be addressed in the future.
- **2004-06 Budget Process** – A timeline and revised *Points of Consensus* document (a document that captured the consensus of all the public institutions and served as the basis for the CPE 2002-04 budget recommendation to the Governor) will be presented to the Council at the February 2003 meeting.

Strategic Committee on Postsecondary Education (SCOPE)

The members of SCOPE met November 18, 2002. The agenda included a review of current General Fund revenue estimates for FY 2003-04 and their impact on the state's fiscal health and budget situation; the Academic Program Productivity and Institutional Collaboration Report; an October 15 Prichard Committee Meeting Report; a report from the Convener of the Conference of Presidents, University of Kentucky President Lee Todd; and the 2004-06 CPE Budget Process Timetable Report.



RESOLUTION

Endorsing the Development of a KCTCS Compensation and Classification Program

WHEREAS, the *Kentucky Postsecondary Education Improvement Act of 1997 (The Act)* creates the Kentucky Community and Technical College System (KCTCS) as the ninth institution of postsecondary education; and

WHEREAS, *The Act* authorizes the KCTCS Board of Regents to “... adopt bylaws, rules, and regulations for the government of its members, officers, agents, and employees, and enforce obedience to such rules . . .;” and

WHEREAS, *The Act* declares that “... anything in any statute of the Commonwealth to the contrary notwithstanding, the power over and control of appointments, qualifications, salaries, and compensation payable out of the State Treasury or otherwise, promotions, and official relations of all employees of Eastern Kentucky University, Western Kentucky University, Murray State University, Northern Kentucky University, and Morehead State University, as provided in KRS 164.350 and 164.360, and of Kentucky State University and the Kentucky Community and Technical College System, shall be under the exclusive jurisdiction of the respective governing boards of each of the institutions named;” and

WHEREAS, KCTCS seeks to create a compensation program that creates a harmonious working relationship among all employees by providing an exciting, challenging and rewarding workplace and experience; and

WHEREAS, KCTCS seeks to compensate employees according to their effort and contribution; establish competitive wages and benefits; treat employees with respect, consideration and courtesy; and develop sound and equitable pay systems that reflect best market practices; and

WHEREAS, KCTCS conducted a comprehensive study and received significant input from faculty and staff from across the System on classification and compensation;

NOW, THEREFORE, BE IT RESOLVED, the KCTCS Board of Regents does hereby endorse the development of a new KCTCS classification and compensation program that incorporates the following characteristics:

- A faculty salary schedule for each academic rank - Professor, Associate Professor, Assistant Professor, Instructor - with a minimum, midpoint and maximum defined for each academic rank.
- A staff salary schedule that reinforces unity and promotes cohesiveness throughout the system, retains flexibility for positions that may be affected by differences in institutional size and scope, and that defines a minimum, midpoint and maximum for each grade.
- A compensation framework that is market driven.
- Consistent with statutory mandates of the *Kentucky Postsecondary Education Improvement Act of 1997 (House Bill 1)*.

BE IT FURTHER RESOLVED that the KCTCS Board of Regents does hereby direct the KCTCS President to develop and present to the Board of Regents for approval, a plan and timetable for the implementation of a new classification and compensation program. Funding for this program must be approved annually.

ADOPTED, this sixth day of December 2002.

Cynthia L. Read, Chair
KCTCS Board of Regents

Michael B. McCall, Ed.D.
KCTCS President